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Montana Printing
Advisory Council

MONTANA PRINTING ADVISORY COUNCIL

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—REPORT TO THE LEGISLATURE—

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REPORT TO THE LEGISLATURE

PRINTING ADVISORY COUNCIL

DECEMBER 88

SUMMARY

The Department of Administration established the Printing Advisory Council at the request of House Joint Resolution 52 of the Senate and the House of Representatives **(Attachment 1)** passed by the 50th Legislature. The purpose of the Council is to promote cooperation and understanding between state government officials and private printers of Montana, to assist in the formulation and implementation of printing specifications, and to assure that state printing is performed by private industry in instances in which it is beneficial to the public interest. Various State agencies were present at the meetings. Their interest in the Council's objectives and cooperation in responding to members' questions and concerns were very beneficial. The Council conducted six meetings over a period of one year and **unanimously agreed** on the following conclusions and recommendations:

1. Bill printing for the Legislature should continue to be done by the Publications and Graphics Bureau.
2. Copies made on a photocopy machine are not a concern of this Council. However, management should determine guidelines for when photocopies are cost effective and when other duplicating methods should be used.
3. Duplicating should be done in-house or in the private sector at the discretion of management. The Council defined duplicating as printed material produced from a paper plate on #4 or #5 sulphite paper no larger than 11" x 17," printed black ink only and with no more than a standard letter fold.
4. No State agency, including the Montana University System, should solicit or accept printing business from the private sector except as provided by statute.
5. Specialized service printing requiring special equipment that is now in place and not found in the private sector in Montana should remain in the public sector.
6. Desktop publishing is recognized by the Council as appropriate printing technology for State government.
7. The technical specialty work done at the Montana Bureau of Mines and Geology is appropriate to do in-house.
8. The Montana Historical Society and Western Montana College do not have print shops and therefore are dropped from further Council discussions.
9. The Council is not concerned with the Montana State University prepress operation.
10. Printing produced for State agencies by private printers should be designed with in-state printing capabilities in mind whenever possible. Publications and Graphics, with its responsibility for bid specifications and bid letting, should assist in trying to keep printing in Montana by consideration of alternative paper stocks, sizes and folds, flexible and reasonable delivery schedules, quantity, and general design specifications.

11. The Council had the following recommendations:
    - The Publications and Graphics Bureau should use their knowledge of Montana printers' capabilities to help agencies design their work so that Montana printers will have a better chance of doing it.
    - The Publications and Graphics Bureau should send a summarization of the Council concerns to user agencies.
    - The Publications and Graphics Bureau should write clearer specifications in a manner to reduce the homework of vendors in preparing bids.
12. The Council agreed to seek an Attorney General's opinion to determine if the State Printing Act provides a prevailing wage for printing, and, if so, who has the authority for determining and enforcing the wage. On November 3, 1988 the Attorney General declined to render the Council an opinion. The issue deals with the constitutionality of the Prevailing Wage Law. The Attorney General stated it is beyond his scope to render advice on the constitutionality of Legislation.
13. After much discussion and differences of opinion, the Council agreed to request the Legislative Audit Committee to consider having the Office of the Legislative Auditor review and evaluate satellite print shops in Helena for cost effectiveness and determine if they should be consolidated with the Publication and Graphics Bureau. The Legislative Audit Committee agreed to perform the audit and report back to the Committee during the 1989 session.
14. Prevailing Wage Legislation should be drafted that is clear and enforceable or the legislation should be repealed (Title 18, Chapter 7).
15. State printing should be done in the private sector when appropriate.
16. Publications and Graphics Bureau should solicit information from private printers regarding their capabilities and facilities to allow the Bureau to monitor work performed for the State.
17. Units of the Montana University System should be allowed to operate printing shops that produce internal documents of a duplicating nature. The definition of duplicating as defined in this report should be in effect.
18. The Council recommends that the Printing Advisory Council be continued in the next administration and the Council members should be appointed by the Director of the Department of Administration.

Areas of Disagreement

The Council also discussed the following issues that were supported by the private sector members. The other Council members noted that not enough information was provided to the Council to come to these conclusions.

1. State government wages and benefits paid to state print shop employees generally exceed that paid in the private sector in Montana.
2. Productivity in State government print shops is generally lower than in private print shops.

HJR 52

House Joint Resolution 52 of the Senate and the House of Representatives passed by the 50th Legislature requested the Department of Administration to establish the Printing Advisory Council. Further the Resolution requested an interim study of state printing and duplicating procedures. However the Legislative Council recommended that other projects be prioritized ahead of the interim study of state printing and the Legislature agreed. Therefore the interim study was not funded. The Department of Administration did establish the Printing Advisory Council.

CREATION OF THE STATE PRINTING ADVISORY COUNCIL

Ellen Feaver, Director of the Department of Administration created the State Printing Advisory Council (the Council) effective September 1, 1987. The Council is attached to the Department of Administration for administrative purposes and will exist through the 1989 Legislative Session.

Purpose

The purpose of the Council is to promote cooperation and understanding between state government officials and private printers of Montana, to assist in the formulation and implementation of printing specifications, and to assure that state printing is performed by private industry in instances in which it is beneficial to the public interest.

Composition

The Council's membership includes four representatives of Montana's printing industry, one representative of the Department of Administration, and three representatives of other state agencies operating internal printing facilities.

The following persons were appointed by Governor Schwinden as members of the Council:

Private Sector Members:

Robert F. Graff
Artcraft Printers
Bozeman, MT.

Franklin Thomas
Thomas Printing
Kalispell, MT.

Verle Rademacher
Meagher County News
White Sulphur Springs, MT.

Robert M. Ryan
Advanced Litho
Great Falls, MT.

The Council was not funded by the Legislature. Each private sector Council member agreed to serve at his own expense.

State Employee Members:

Ellen Feaver, Council Chairperson
Director
Department of Administration
Helena, MT.

James Flynn
Director
Department of Fish, Wildlife and Parks
Helena, MT.

Rod Sager
Administrator, Centralized Services Division
Department of Labor and Industry
Helena, MT.

R. Kenneth Stolz
Director of Campus Services
University of Montana
Missoula, MT.

Individuals providing staff support to the Council at various times included Michael Muszkiewicz, Anthony Herbert, Marvin Eicholtz, Gary Wolf, Shelley Farrell, Leona Olsen and Sarah Martinez. Ken Dunham, representing Associated Printers and Publishers of Montana, attended all meetings and assisted the Council by soliciting and accumulating data from the private sector printers.

The following is a summation of the Council discussions by meeting date including conclusions reached through a consensus of the Council. Various agencies were present at the meetings. Their interest in the Council's objectives and cooperation in responding to members' questions and concerns were very beneficial to the Council.

OCTOBER 29, 1987 MEETING - PUBLICATIONS AND GRAPHICS BUREAU HELENA

The Council met to establish the Council's work plan. The meeting included considerable dialogue between the Council members and agency representatives. This interchange helped the Council select agenda items for future meetings. The Council decided to schedule five meetings in calendar year 1988. Meetings were scheduled in various locations to enable the Council to tour printing facilities at a number of state agencies. Agencies attending this meeting were the:

Department of Administration
Department of Justice
Department of Natural Resources and Conservation
Office of Public Instruction
University of Montana
Montana State University

At the conclusion of the meeting, the Council toured the Publication and Graphics Bureau.

JANUARY 21, 1988 MEETING - DEPARTMENT OF HIGHWAYS, HELENA

Review of State Government Services

The Council discussed the range of state government printing services while reviewing information the Council had requested **(attachments 2)** regarding printing related services provided in-house at various state agencies. The Council staff also provided two summaries from the information gathered. The first was a Function/Service Summary **(attachment 3)** which indicated the type of work that could by done at each agency. The second was a Financial Summary **(attachment 4)** which included personnel, funding source, income and expense information by agency. Representatives from eleven agencies were present to respond to Council members' questions and to clarify information presented to the Council. Agencies represented were the:

Department of Administration
Department of Natural Resources and Conservation
Department of Justice
Montana State Prison
Montana Historical Society
Department of Military Affairs
Department of Highways
University of Montana
Montana State University
Eastern Montana College
Montana Bureau of Mines and Geology

The Council discussed the information provided and members reached conflicting opinions regarding the cost effectiveness of certain public print shops. No Council conclusion was reached as result of this discussion. The Council agreed that additional information should be discussed at the next meeting comparing job descriptions and salary information for all full time state staff and private printers.

The Council toured the duplicating shops at the Department of Highways, the Department of Fish, Wildlife and Parks and the Department of Labor and Industry.

APRIL 21, 1988 MEETING - UNIVERSITY OF MONTANA, MISSOULA

Publication and Graphics Surveys

The Council reviewed surveys evaluating the services of the Publications and Graphics Bureau. One survey polled legislators toward the end of the last session, and the other was aimed at Publications and Graphics' general customers. The survey results generally indicated a high degree of satisfaction with Publication and Graphics' services **(attachments 5 and 6)**. The Council called for a similar survey to be completed for printing work produced by the private sector. **(See Attachment 9)**

Position Description Review

The Council attempted to review position descriptions and salary information in state government and the private sector for cost comparison. However, the information was determined to be difficult to compare due to the variation in information provided by the private sector and state government. While government positions all had detailed job descriptions outlining responsibilities of the positions, private sector positions did not have detailed job descriptions. However, the private sector Council members came to the conclusions that:

1. State government wages and benefits paid to State print shop employees generally exceed that paid in the private sector in Montana.
2. Productivity in State government print shops is generally lower than in private print ships.

The other Council members noted that not enough information was provided to the Council to come to these conclusions.

Printing and Economic Growth

Paul Polzin, Director of the Bureau of Business and Economic Research in Missoula, spoke to the Council about economic growth in Montana. He divided Montana into two sectors: (1) Export industries and (2) derivative industries. He explained that export industries are located in Montana but sell their goods out-of-state. If we have growth in these industries, this generates real economic growth. Derivative industries serve in-state business. He explained that export industries can have an effect on derivative industries; however, it does not work the other way. A change in derivative industries does not affect export industries or real economic growth. He explained that economic growth comes from an increase in export industries. Mr. Polzin noted that when you look at private in-state printing versus public printing simply from an economic point of view, you are looking at two derivative industries. He stated that the impact would be imperceptible if you replaced a public print shop with a private shop as long as they were equally efficient.

Council Scope Identification

The Council identified areas where members could reach a consensus to narrow the scope of the Council's work. The following conclusions were unanimously reached by the Council:

1. Bill printing for the Legislature should continue to be done by the Publications and Graphics Bureau.
2. Copies made on a photocopy machine are not a concern of this Council. However, management should determine guidelines for when photocopies are cost effective and when other duplicating methods should be used.

3. Duplicating should be done in-house or in the private sector at the discretion of management. The Council defined duplicating as printed material produced from a paper plate on #4 or #5 sulphite paper no larger than 11" x 17", printed black ink only and with no more than a standard letter fold.
4. No State agency, including the Montana University System, should solicit or accept printing business from the private sector except as provided by statute.
5. Specialized service printing requiring special equipment that is now in place and not in the private sector in Montana should remain in the public sector.
6. Desktop publishing is recognized by the Council as appropriate printing technology for State government.
7. The technical specialty work done at the Montana Bureau of Mines and Geology is appropriate to do in-house.
8. The Montana Historical Society and Western Montana College do not have print shops and therefore are dropped from further Council discussions.
9. The Council is not concerned with the Montana State University prepress operation.

The Council toured the printing services shop on the University of Montana campus.

JULY 21, 1988 MEETING - MONTANA STATE PRISON, DEER LODGE

Prevailing Wage Law

The Prevailing Wage Law as it relates to printing and Publications and Graphics Bureau procedures in this regard were discussed. Publications and Graphics Bureau includes as standard terms and conditions in the Invitation for Bid, the statutory language in regard to the Prevailing Wage Law. The bidder's signature on the Invitation for Bid signifies the bidder is in compliance with the statute. The Department of Administration does not have the authority for enforcement and has complied with the statute through notification on the Invitation for Bid.

A representative from the Department of Labor and Industry gave a presentation on the Prevailing Wage Law. His conclusion was there is no prevailing wage set for printing because printing does not fall under the definition of services administered by the Department of Labor and Industry. He also stated that the Department of Labor and Industry does not have the authority to go outside the State to set a prevailing wage in the locality in which printing may be produced. The Council decided to seek an Attorney General's opinion to determine if the State Printing Act provides a prevailing wage for printing, and, if so, who has the authority for determining and enforcing the wage.

Bid Specifications

The Council reviewed bid specifications to determine ways to keep printing work in Montana as opposed to work going to out of state firms. **Attachment 7** is a pie chart indicating where State printing is completed. As indicated in the chart, 69% of state printing channeled through the Publications and Graphics Bureau is done by the private sector. 40% of printing channeled through the Publications and Graphics Bureau is awarded to out of state firms. In preparation for this discussion the Chairperson had asked the private sector members to provide the Council with specific past jobs or job types where specification changes could be made to increase the possibility for the work to be done by in-state printers. Few examples were received, so the Council staff provided twelve representative samples of work done by out of state firms for Council discussion.

The Council identified the following specific reasons why printing jobs go out of state:

- Based on a review by the Council, the 5% Montana made bidder's preference usually does not help Montana printers.
- Due to equipment configurations and differences in costs of doing business, some out of state printers can produce some types of work more economically.
- Montana printers do not have the equipment to do data mailers.
- Some paper stock requested is difficult for Montana printers to stock.
- Some jobs require specific pieces of equipment that Montana printers do not have.
- Specifications are written that do not consider the capabilities of Montana's private sector plants.

The Council concluded that printing produced for State agencies by private printers should be designed with in-state printing capabilities in mind whenever possible. Publications and Graphics, with its responsibility for bid specifications and bid letting, should assist in trying to keep printing in Montana by consideration of alternative paper stocks, sizes and folds, flexible and reasonable delivery schedules, quantity, and general design specifications.

The Council had the following recommendations:

- The Publications and Graphics Bureau should use their knowledge of Montana printers' capabilities to help agencies design their work so that Montana printers will have a better chance of doing it.
- The Publications and Graphics Bureau should send a summarization of the Council concerns to user agencies.
- The Publications and Graphics Bureau should write specifications in a manner to reduce the homework of vendors in preparing bids.

In conclusion, the private sector members indicated that 95% of the bid specifications are written in a professional, clear and complete manner, stating what the agency wants and when they want it.

Prequalification of Bidders

Private sector Council members requested a discussion of prequalification of bidders. A prequalification program would require all bidders to be reviewed by the state and determined to be capable of satisfactorily performing the job before receiving an invitation for bid from the Bureau. Currently the procurement statutes state that government cannot limit bid solicitations or awards to prequalified bidders. Current procedures require award to the lowest bidder. If the bidder defaults, procedures are in place to remove the vendor from the bid list. Currently the Bureau estimates the default problems occur about 1S% of the time. The Council requested the staff to survey other states' positions on prequalification for discussion at a subsequent meeting.

Satellite State Print Shops

Most state printing in Helena is channeled through the Publications and Graphics Bureau. The state printing that does not go through the Publications and Graphics Bureau is printed by agencies that operate satellite print shops in Helena and in other communities. The satellite print shops in Helena are operated by the Departments of Fish, Wildlife and Parks; Labor and Industry; Justice; Highways; and Military Affairs.

Several council members expressed concern that the satellite print shops in Helena are not cost effective. The Council discussed whether these print shops should be consolidated into the Publication and Graphics Bureau. The Council agreed to request the Legislative Audit Committee to consider having the Legislative Auditor review and evaluate satellite print shops in Helena for cost effectiveness and determine if they should be consolidated with the Publication and Graphics Bureau. The Council chairperson agreed to present this request to the Legislative Audit Committee at its next meeting.

Agencies represented at the meeting were:
- Department of Administration
- Montana State Prison
- University of Montana
- Montana State University
- Department of Highways
- Department of Justice
- Montana Bureau of Mines and Geology

The Council members toured the prison industries print shop accompanied by Warden Jack McCormick.

OCTOBER 20, 1988 MEETING - MONTANA STATE UNIVERSITY, BOZEMAN

Prevailing Wage Law

At the July 21 meeting, the Council agreed to seek an Attorney General's opinion to determine if the State Printing Act provides a prevailing wage for printing, and, if so, who has the authority for determining and enforcing the wage. As of October 20, the Attorney General had not opined on this issue. On November 3, the Attorney General declined to render the Council an opinion. Because this issue deals with the constitutionality of the Prevailing Wage Law, the Attorney General stated it is beyond his scope to render advice on the constitutionality of legislation. In anticipation of this position, the Council requested the staff to draft prevailing wage legislation that is clear and enforceable. The draft language will be discussed at the last scheduled meeting in December.

Legislative Auditor Review of Satellite Print Shops

At the July 21 meeting, the Council agreed to request the Legislative Audit Committee to consider having the Office of the Legislative Auditor review and evaluate satellite print shops in Helena for cost effectiveness and determine if they should be consolidated with the Publications and Graphics Bureau. The Audit Committee vote was unanimous to do the audit. Ellen emphasized to the Committee the need for the audit to be completed prior to the end of the legislative session. Jim Flynn requested that the members of the Council be notified of the Legislative Audit Committee meeting, held to review the audit, so Council members could provide comments before the report is adopted.

Draft Report Review

The Council reviewed the draft Council Report and agreed upon several changes and additions that were incorporated into this final report.

One addition to the report is information requested and prepared by the private sector Council members which provides information about the private sector print shops in Montana. This information is included in this report as **Attachment 8.**

Private Sector Printing Survey

As requested in an earlier meeting, The Publications and Graphics Bureau conducted a survey regarding agency satisfaction with private sector printing jobs. The Council staff tallied the survey results and presented the results to the Council. Ellen Feaver pointed out that the survey results were similar to those received in the survey completed for Publications and Graphics Bureau work. The private sector survey results are included in this report as **Attachment 9**.

Guidelines for State Printing

A summary of state printing guidelines received from various agencies was distributed to the Council. The summary outlined agency criteria used to determine whether the job is completed in-house or bid out. The Council did not reach any conclusions on the summary.

Bob Graff submitted samples of University of Montana printing destined for public distribution. The Council's discussion centered on the appropriateness of this printing being done in the University of Montana Print Shop.

Ellen Feaver suggested that those who support drawing a boundary on what public print shops should not be printing, can draw up a proposal for consideration at the Council's last meeting.

Agencies represented at the meeting were:

Department of Administration
Department of Justice
Department of Highways
Montana State University
Montana Bureau of Mines
University of Montana
Montana State Prison

The Council toured the Montana State University Multilith Facility.

DECEMBER 15, 1988 MEETING - DEPARTMENT OF ADMINISTRATION, HELENA

Accommodation Tax and Printing Procurement

John Wilson, Administrator of the Montana Promotion Division, explained the Accommodation Tax Program. He distributed bidding requirement guidelines utilized by the local tourism organizations in awarding contracts. Private sector Council members thought the guidelines were appropriate and should be utilized.

Draft Report Review

The Council received the draft Council Report and agreed upon several changes and additions that were incorporated into this report.

The Council agreed to include the following two issues of disagreement among the Council members. These issues were supported by the private sector members. The other Council members noted that not enough information was provided to the Council to come to these conclusions.

1. State Government wages and benefits paid to State print shop employees generally exceed that paid in the private sector in Montana.
2. Productivity in State Government print shops is generally lower than in private print shops.

Prevailing Wage Legislation

The council reviewed draft Prevailing Wage Legislation prepared by the Council staff. The Council decided not to introduce legislation, however, the Council did recommend the Prevailing Wage Legislation should be drafted that is clear and enforceable or the law should be repealed (Title 18, Chapter 7).

Prequalification

The Council discussed the prequalification issue and decided not to introduce legislation requiring prequalification. But, the Council did recommend that the Publications and Graphics Bureau should solicit information from the private printers regarding their capabilities and facilities to allow the Bureau to monitor work performed for the State.

In-House Printing Legislation

The Council discussed legislation that the private sector may be seeking in this next session. After much discussion, the Council concluded that State printing should be done in the private sector when appropriate.

At the close of the meeting, the Council members agreed that the Printing Advisory Council was very beneficial in providing a forum for discussing problems and keeping the lines of communication open between the private sector printers and the State. The Council recommended that the Printing Advisory Council should be continued in the next administration and that the Council members should be appointed by the Director of the Department of Administration.

Agencies represented at the meeting were the:

Department of Administration
Montana State Prison
Department of Natural Resources and Conservation
Department of Justice
Montana State University
University of Montana
Department of Highways
Eastern Montana College

HOUSE JOINT RESOLUTION NO. 52

INTRODUCED BY SIMON, J. BROWN, MCCORMICK, SWYSGOOD, BACHINI, NISBET, HANSEN, BRANDEWIE, THOMAS, GRINDE, WALLIN, C. SMITH, JONES, KITSELMAN, COHEN, DRISCOLL, WHALEN, PAVLOVICH, GLASER

A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA CONCERNING THE PRINTING OF DOCUMENTS BY AND FOR STATE GOVERNMENT; ESTABLISHING A PRINTING ADVISORY COUNCIL; REQUESTING AN INTERIM STUDY OF STATE PRINTING AND DUPLICATING PROCEDURES; ~~REQUESTING THE DEPARTMENT OF ADMINISTRATION TO REIMBURSE THE LEGISLATIVE COUNCIL FOR THE COSTS OF THE INTERIM STUDY AND TO ACCEPT VOLUNTARY CONTRIBUTIONS FROM PRIVATE PRINTERS;~~ AND REQUIRING A REPORT OF THE FINDINGS OF THE STUDY TO THE 51ST LEGISLATURE.

WHEREAS, the efficient functioning of state ~~and local~~ governments GOVERNMENT relies upon the rapid, unimpeded flow of information to and between agencies and the public; and

WHEREAS, the printed document is a singularly important instrument in the information process; and

WHEREAS, the expanding use of computer technology has obscured the differentiations between the various elements of or crafts involved in the production of printed documents; and

WHEREAS, the Legislature intends that the state obtain printing services at the lowest possible cost that will assure expeditious and timely delivery of printed products; and

WHEREAS, the Legislature intends that printing for state government be performed by private industry whenever it is cost effective to do so; and

WHEREAS, state government agencies ~~and political subdivisions~~ have acquired printing equipment and recruited and trained personnel to operate the equipment; and

WHEREAS, the taxpayers of Montana have borne the cost of the investment in publicly owned, nontaxable printing equipment and the costs of operation and production; and

WHEREAS, it has been asserted that the publicly owned printing equipment is used to produce printing and other work that was formerly produced or is now capable of being produced by private industry and that the business thus denied to private industry has reduced the income of taxpaying businesses and reduced employment in the private sector; and

WHEREAS, the Legislature intends that specifications for the bidding of printing provide for the most efficient operation of government and be written in terms that will allow Montana printers ample opportunity to bid

ATTACHMENT 1

REFERENCE BILL

successfully; and

WHEREAS, the Legislature intends that the internal printing activities of government operate in the most cost-effective manner possible; and

WHEREAS, it has been argued that in many cases the cost of printing produced on publicly owned equipment is equal to or exceeds the cost of producing the same printing by private industry.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

That a Printing Advisory Council be established by the Department of Administration to promote cooperation and understanding between state government officials and private printers of Montana, to assist in the formulation and implementation of printing specifications, and to assure that state printing is performed by private industry in all instances in which it is beneficial to the public interest. The Legislature intends that this council be composed of:

(1) at least four representatives of Montana's printing industry;

(2) at least one representative of the Department of Administration; and

(3) at least three representatives of other state agencies operating internal printing facilities.

BE IT FURTHER RESOLVED, that an appropriate interim committee be assigned to study:

(1) the cost efficiency of the printing procurement procedures of state government;

(2) all internal printing and printing-related operations and the cost effectiveness of each organization;

(3) the definition of printing and the clarification of the elements of the printing process that normally and inextricably fall within the operations of government, the identification of public documents, and the establishment of criteria for operations, processes, and functions that for reasons of internal efficiency, timeliness, or economy do not lend themselves to bidding by private printers;

(4) the formulation of legislative policy and administrative procedures to require state ~~and---local~~ governments GOVERNMENT to contract with private printers to the maximum extent possible consistent with the demands of economy and timely service; and

(5) specifications for state printing contracts that will encourage Montana printers to submit bids with reasonable expectation of selection to perform the work within the competitive process.

~~BE--IT--FURTHER--RESOLVED,--THAT--THE---DEPARTMENT---OF ADMINISTRATION--REIMBURSE--THE--LEGISLATIVE--COUNCIL-FOR-ALL COSTS-OF-THE-INTERIM-COMMITTEE,-INCLUDING--COMPENSATION--AND~~

EXPENSES--UNDER--5-2-302,--NECESSARY-SUPPLIES-AND-MATERIALS,
POSTAGE,-PRINTING-OF-REPORTS,-AND-OTHER-NORMAL-AND-CUSTOMARY
COSTS-OF-AN-INTERIM-STUDY;

BE--IT--FURTHER--RESOLVED,--THAT--PRIVATE--PRINTERS--BE
ENCOURAGED---TO---VOLUNTARILY---ASSIST---THE--DEPARTMENT--OF
ADMINISTRATION-IN-THE-REIMBURSEMENT--OF--THE--COSTS--OF--THE
INTERIM--STUDY-AND-THAT-THE-DEPARTMENT-OF-ADMINISTRATION-MAY
ACCEPT-VOLUNTARY-CONTRIBUTIONS-FROM-PRIVATE-PRINTERS-FOR-THE
PURPOSE-OF-REIMBURSEMENT-OF-COSTS-OF-THE-INTERIM-STUDY;

BE IT FURTHER RESOLVED, that state agencies and private printers cooperate fully with the interim committee and the Department of Administration.

BE IT FURTHER RESOLVED, that the interim committee report the findings of the study to the 51st Legislature and, if necessary, draft legislation to implement its recommendations.

-End-

ATTACHMENT 2

DEPARTMENT OF ADMINISTRATION

PUBLICATIONS AND GRAPHICS DIVISION

TED SCHWINDEN, GOVERNOR

CAPITOL STATION

STATE OF MONTANA

(406) 444-3053

HELENA, MONTANA 59620-0132

TO: ^F1^

FROM: Mike Muszkiewicz
Administrator

DATE: November 23, 1987

RE: STATE PRINTING ADVISORY COUNCIL -- REQUEST FOR INFORMATION

The State Printing Advisory Council had its initial meeting on October 29. As you can see from reading the enclosed minutes of that meeting, it was solely organizational in content. The next meeting scheduled for January 21, however, will include a review of in-house printing services provided by all state agencies.

In preparation for this meeting, the Council has directed me (as staff to the Council) to obtain information from each of you regarding the printing related services provided in-house at your agency. To accomplish this I have enclosed a list of items which should be completed and returned to me by December 23, 1987. Please provide the information requested by each item on a separate page.

When the required information has been received from each agency, it will be copied and sent to each Council member. I may be in contact with your office if any of your responses require clarification.

On behalf of the Council, thank you in advance for your cooperation with this task. I encourage you attendance at the January 21 meeting.

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STATE PRINTING ADVISORY COUNCIL
RESOURCE REPORT

STATE AGENCY PRINTING RELATED SERVICES
FISCAL YEAR 1987 (7/1/86 - 6/30/87)

[Please respond to each of the following on separate pages.]

1. Describe the organizational structure of the printing work unit. Include a description of how that organization relates to the agency organization.

2. List all positions which are involved in the printing related functions of the work unit, by title. Include administrative support and supervisory personnel with an indication of the amount of each FTE allocated to the printing function.

3. List all major printing related equipment operated by the work unit by function (e.g., typesetting, bindery, pressroom, etc.). Include nomenclature, brand name, model number.

4. Provide the work unit's pricing schedule. This schedule should include the cost of all in-house printing related services, volume discounts, etc. If the work unit is funded by some other means, please clarify.

5. Describe the requirements of work unit customers. Include an indication of the range of services required; the average size of each job; and typical turnaround requirements specified by the customer.

6. Complete the attached Income and Expense Statement for FYE 1987. If deviations from the headings or account catagories are necessary, please include documentation to that effect.

REPORT FOR STATE PRINTING ADVISORY COUNCIL
INCOME AND EXPENSE STATEMENT FOR FYE 1987

	PRE-PRESS	DUPLICATING	ADMNISTRATION	TOTAL
INCOME				
TOTAL INCOME				
EXPENSES				
1000 Personal Services				
2000 **OPERATING EXPENSES**				
2100 Contracted Services				
2200 Supplies & Materials				
2300 Communications				
2400 Travel				
2500 Rent				
2600 Utilities				
2700 Repair & Maintenance				
2800 Other				
2805 Depreciation				
2900 Goods Purchased for Resale				
3000 Equipment & Intangible Assets				
4000 Capital Outlay				
9000 Debt Service				
9402 Interest				
TOTAL EXPENSES				
NET INCOME/ (LOSS)				

ATTACHMENT 3

STATE PRINTING ADVISORY COUNCIL RESOURCE REPORT — FUNCTION/SERVICE SUMMARY

AGENCY	PLANNING WRITING EDITING COORDINATION	COMPOSITION AND PREPRESS							PRESSROOM		OTHER/EXPLANATIONS
		WORD PROCESS.	PERSONAL COMPUTER	LINOTYPE	PHOTO TYPESETTING	GRAPHIC ARTS/ PASTE UP	DARKROOM	PLATING	PRINTING	BINDERY	
BUREAU OF MINES AND GEOLOGY	YES	NO	NO	NO	YES	YES	NO	NO	NO	NO	RESOURCE REPORT INCLUDES ADDITIONAL SERVICES I.E. EDITING, CARTOGRAPHY
EASTERN MONTANA COLLEGE	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	
FISH, WILDLIFE AND PARKS	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	QUICK COPY CENTER ASSOCIATED WITH MAILROOM & OFFICE SUPPLY OPERATION
HIGHWAY PATROL	NO	NO	NO	NO	NO	YES	YES	NO	YES	YES	UNIT ALSO PROVIDES SERVICES IN PHOTOGRAPH PROCESSING
HIGHWAYS	NO	NO	NO	NO	NO	NO	YES	YES	YES	YES	RESOURCE REPORT ALSO PROVIDES DIAZO AND MAPPING
HISTORICAL SOCIETY	NO IN-HOUSE PRINTING FACILITIES										
INSTITUTIONS	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	SEE RESOURCE REPORT FOR TRAINING
LABOR AND INDUSTRY	NO	NO	NO	NO	NO	NO	NO	YES	YES	YES	UNIT ALSO PROVIDES SERVICES IN MAILING AND SUPPLY
MILITARY AFFAIRS	NO	NO	NO	NO	NO	NO	NO	NO	YES	NO	
MONTANA STATE UNIVERSITY	YES	NO	NO	NO	YES	YES	*	YES	YES	YES	* NEGATIVES ARE PURCHASED
MONTANA TECH	NO	NO	NO	NO	NO	YES	NO	YES	YES	YES	UNIT ALSO ADMINISTERS PHOTO COPY POOL THROUGHOUT CAMPUS
NATURAL RESOURCES	YES	NO	YES	NO	NO	YES	NO	NO	NO	NO	UNIT ALSO PROVIDES SERVICE IN CARTOGRAPHY AND PLOTTING. SEE RESOURCE REPORT FOR EQUIPMENT UTILIZATION
NORTHERN MONTANA COLLEGE	NO	NO	YES	NO	NO	YES	NO	NO	NO	NO	RESOURCE REPORT ALSO CONTAINS PHOTO COPY ACTIVITY
PUBLICATIONS AND GRAPHICS	NO	NO	NO	NO	YES	YES	YES	YES	YES	YES	UNIT IS ALSO RESPONSIBLE FOR THE PROCUREMENT OF PRINTING FROM THE PRIVATE SECTOR
PUBLIC INSTRUCTION	YES	YES	YES	NO	YES	YES	NO	NO	NO	*	* SEE RESOURCE REPORT FOR BINDERY
UNIVERSITY OF MONTANA —PRINTING SERVICES	NO	NO	NO	YES	YES	YES	YES	YES	YES	YES	
UNIVERSITY OF MONTANA —REPROGRAPHICS/OFFICE STORES	NO	NO	NO	NO	NO	NO	NO	NO	YES	YES	UNIT ALSO PROVIDES SERVICES IN INSERTING, ADDRESSING, LABELING, SORTING AND OFFICE STORES
WESTERN MONTANA COLLEGE	NO IN-HOUSE PRINTING FACILITIES										

SOURCE: STATE PRINTING ADVISORY COUNCIL RESOURCES REPORTS
— COMPILED DECEMBER 1987
— UPDATED MARCH 1988

ATTACHMENT 4

STATE PRINTING ADVISORY COUNCIL RESOURCE REPORT — FINANCIAL SUMMARY

	PERSONNEL			FUNDING SOURCE			FINANCIAL		
AGENCY	FULL TIME PERSONNEL	PART TIME/ ON CALL	STUDENT/ INMATE	INDIRECT ALLOCATION/ BUDGETED	RATE SCHEDULE	TIME AND MATERIALS	INCOME	EXPENSES	OTHER/EXPLANATION
BUREAU OF MINES AND GEOLOGY	4	1	—	✓			209,972	209,972	SEE RESOURCE REPORT FOR FTE ALLOCATION SEE RESOURCE REPORT FOR PUBLICATION COST RECOVERY
EASTERN MONTANA COLLEGE	FY 87-3 FY 88-2	—	3		✓		123,785	152,398	SEE RESOURCE REPORT FOR FY 87-FY 88 FTE ALLOCATION SUBSTITUTE BALANCE SHEET SUBMITTED
FISH, WILDLIFE AND PARKS	1.9	—	—		✓		103,438	109,322	
HIGHWAY PATROL	2	—	—			✓	-0-	56,473	ALTERNATE EXPENSE SUMMARY SUBMITTED
HIGHWAYS	5	—	—		✓		204,699	253,129	
HISTORICAL SOCIETY	NO IN-HOUSE PRINTING FACILITIES								
INSTITUTIONS	1	—	6		✓		84,558	102,443	
LABOR AND INDUSTRY	1.95	—	—	✓			99,184	101,815	
MILITARY AFFAIRS	—	—	--	✓			-0-	525	SEE RESOURCE REPORT REFERENCING FEDERAL CIVIL SERVICE
MONTANA STATE UNIVERSITY	14.17	—	—		✓		465,257	463,391	
MONTANA TECH	2	—	YES		✓		111,031	120,278	SEE RESOURCE REPORT FOR MAILROOM AND BOOKSTORE OPERATION
NATURAL RESOURCES	4	—	—	✓			2,028	112,315	
NORTHERN MONTANA COLLEGE	1 2	—	—		✓		75,716	115,938	
PUBLICATIONS AND GRAPHICS	25½	—	—		✓		3,307,510	3,249,642	INCLUDES $1,640,256 IN PASS THROUGH PRINTING TO COMMERCIAL PRINTERS, DOES NOT INCLUDE $565,000 IN PHOTO COPY POOL ACTIVITY
PUBLIC INSTRUCTION	1.70	--	—	✓			-0-	39,245	
UNIVERSITY OF MONTANA — PRINTING SERVICES	14¾	5	8			✓	829,871	791,588	
UNIVERSITY OF MONTANA — REPROGRAPHICS/OFFICE STORES	4¼	1	2			✓	213,786	185,180	POSITIONS ASSOCIATED WITH OFFICE STORES HAVE BEEN DELETED IN SUMMARY REPORT
WESTERN MONTANA COLLEGE	NO IN-HOUSE PRINTING FACILITIES								

SOURCE: STATE PRINTING ADVISORY COUNCIL
RESOURCES REPORTS — COMPILED DECEMBER 1987
— UPDATED MARCH 1988

ATTACHMENT 5

Publications and Graphics Bureau
Legislator Survey Summary

NUMBER OF RESPONSES

	Good	Satisfactory	Poor
Proceedings			
Timeliness	26	3	0
Quality	29	0	0
Personal			
Timeliness	26	2	1
Quality	27	2	0
Fiscal			
Timeliness	24	4	1
Quality	23	4	2
TOTAL RESPONSES	155	15	4

ATTACHMENT 6

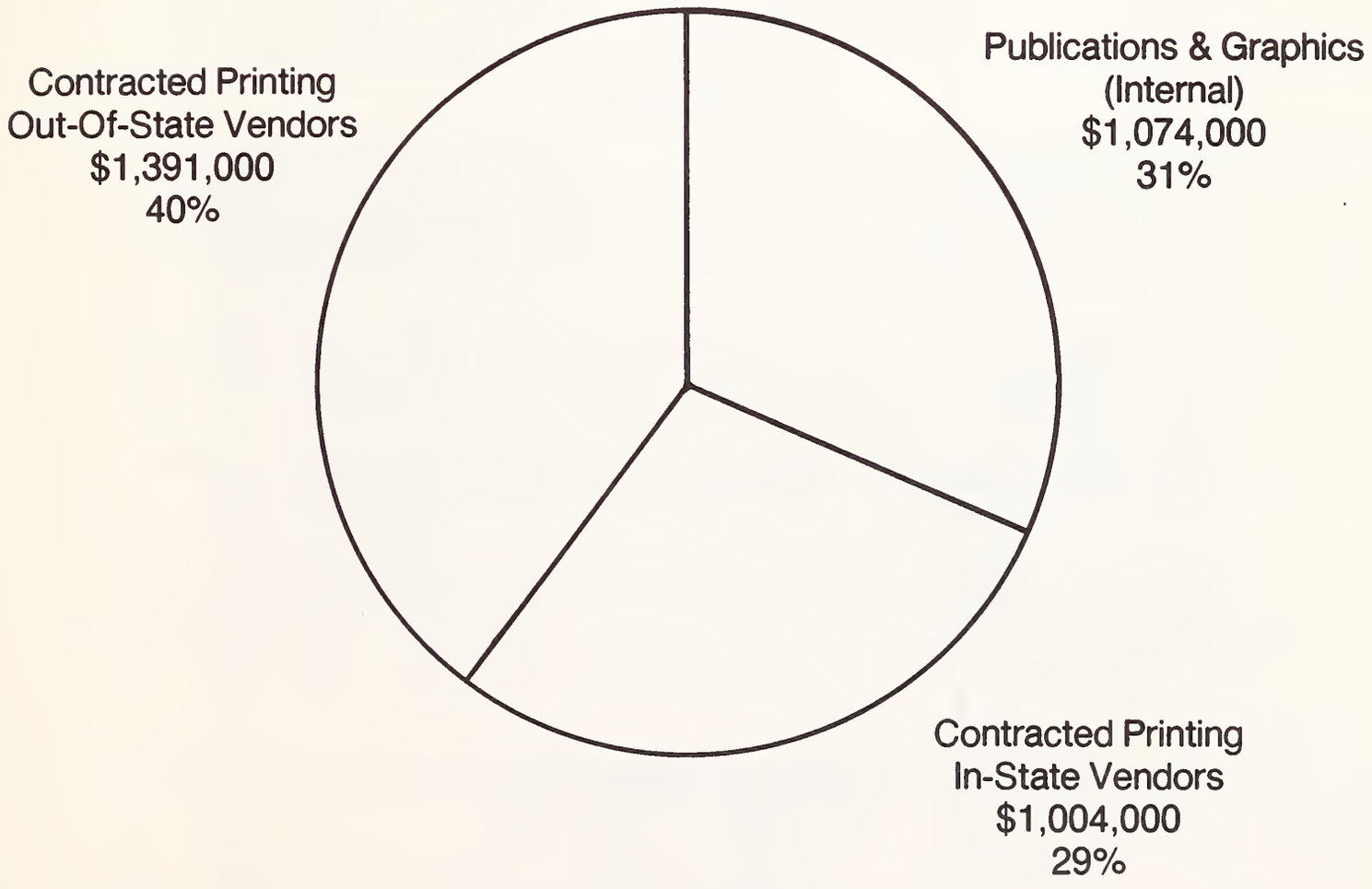
PUBLICATIONS & GRAPHICS BUREAU
CUSTOMER SURVEY SUMMARY

RESPONSES:	Duplicating 79	Graphic Arts 182	SRS Quick Copy 219	Capitol Quick Copy 255	TOTALS 735
Quality of Service:					
☐ Excellent	39	112	193	168	512
☐ Good	25	49	21	65	160
☐ Satisfactory	11	12	4	13	40
☐ Needs Improvement	4	7	1	4	16
☐ Poor	1	——	1	7	9
Timeliness of Service:					
☐ Excellent	47	86	201	191	525
☐ Good	19	57	11	55	142
☐ Satisfactory	11	26	6	6	49
☐ Needs Improvement	2	11	——	2	15
☐ Poor	1	2	——	1	4
Estimating Job Costs:					
☐ Accurate	9	28	47	24	108
☐ Satisfactory	7	35	8	20	70
☐ Poor	——	1	1	——	2
Cost of Service (if known):					
☐ Too High	——	——	——	——	——
☐ A Little High	1	4	——	1	6
☐ About Right	4	36	28	27	95
☐ Seemed Low	——	——	1	——	1
☐ A Bargain!	——	3	6	2	11
Employee Attitudes:					
☐ Excellent	37	124	181	138	480
☐ Good	24	23	19	27	93
☐ Satisfactory	2	12	1	8	23
☐ Needs Improvement	1	——	——	——	1
☐ Poor	——	——	——	——	——
My Personal Knowledge About Printing Can Be Described As:					
☐ Equivalent To Journeyman Printer (ink in my veins)	1	——	13	6	20
☐ Good Knowledge of Process	12	33	45	61	151
☐ Adequate To Discuss My Needs	41	113	109	119	382
☐ Need Assistance When Deciding My Needs	20	20	14	15	69
☐ Need Assistance in Recognizing a Print Shop	1	2	4	——	7

ATTACHMENT 7

FY 1988 PRINTING EXPENDITURES

Publications and Graphics Bureau (Internal)		$1,074,000
Contracted Printing		
In-State Vendors	$1,004,000	
Out-Of-State Vendors	$1,391,000	
Total Contracted Printing		$2,395,000
FY 1988 Printing Expenditures		$3,469,000



ATTACHMENT 8

Associated Printers & Publishers of Montana

MONTANA PRINTING INDUSTRY
ECONOMIC SURVEY
1988

INTRODUCTION

The information contained in this survey was complied by a mailed survey form sent to all Montana commercial printers and newspapers in October, 1988. The return on the survey was 23.5%.

The figures contained in this survey are averages for the respondents and indicate trends and averages for the Montana printing industry. All respondents were informed that their responses would be confidential and that only industry totals and averages would be used so that individual businesses could not be identified.

Responses were obtained from virtually all sizes of Montana printing operations so that some valid industry averages can be obtained.

ASSOCIATED PRINTERS &
PUBLISHERS OF MONTANA
P.O. Box 1707
Helena MT 59624
(406) 443-0640

Associated Printers and Publishers of Montana
ECONOMIC SURVEY/1988

1. Number of employees in printing, publishing, production, support services and other graphic arts areas, including management:

Gross Sales of Shop	EMPLOYEES Full Time	Part Time
A. Under $250M	2.7	1.8
B. $250M-$500M	6.8	2.1
C. $500M-$1,000M	12.3	4.5
D. $1,000M - $2,500M	18.0	4.9
E. $2,500M - $4,000M	no responses	
F. Above $4,000M	100.7	22.7

Capital Investment of Shop	Full Time	Part Time
A. Under $50M	4.0	1.8
B. $50M - $100M	3.2	2.5
C. $100M - $500M	7.4	2.5
D. $500M - $1,000M	19.0	2.0
E. $1,000M - $2,500M	no responses	
F. $2,500M - $4,000M	no responses	
G. Above $4,000M	100.0	23.0

2. Gross Sales in 1987 — Number of Shops by Percentage

Under $250M	54.5%
$250M - $500M	22.7%
$500M - $1,000M	9.1%
$1,000M - $2,500M	6.8%
$2,500M - $4,000M	no responses
Above $4,000	6.8%

3. Capital Investment in Business

Under $50M	13.6%
$50M - $100M	31.8%
$100M - $500M	43.2%
$500M - 1,000M	4.5%
$1,000M - $2,500M	no responses
$2,500M - $4,000M	no responses
Above $4,000M	6.8%

4. Do you anticipate business expansion in 1989?

Yes	43.2%
No	20.4%
About the same as 1988	36.4%

5. Do you expect to add employees in 1989?

Yes	38.6%
No	45.5%
Cannot answer	15.9%

ATTACHMENT 9

CUSTOMER SURVEY

CONTRACTED PRINTING

RESPONSES:	TOTALS:
Quality of Service:	
Excellent	22
Good	26
Satisfactory	15
Needs Improvement	1
Poor	1
Timeliness of Service:	
Excellent	23
Good	23
Satisfactory	17
Needs Improvement	2
Poor	3
Cost of Service:	
Too High	2
Little High	1
About Right	46
Seemed Low	2
Bargain	1
Printer Cooperation:	
Excellent	27
Good	23
Satisfactory	14
Needs Improvement	2
Poor	
Personal Printing Knowledge:	
Journeyman Printer	4
Good Knowledge of Process	12
Adequate to Discuss Needs	42
Need Assistance	5
No Knowledge	1

(Note: A total of 67 responses were received within a two month period.)

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